IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

APPEAL NO.736 OF 2002

IN

MISC. PETITION NO. 42 OF 1995

I.T.C. Limited ...Appellants.
(Org.Petitioners)

Vs

G.T.C. Industries Ltd. & Ors. ...Respondents.
(Org.Respondents.)

Dr. V. Tulzapurkar Sr. Advocate with Mr. Rahul Chitnis i/by M/s. Nana Hormasijee & Co. for the Appellants.

None for the respondents, though served.

CORAM : DR. S. RADHAKRISHNAN &
ANOOP V.MOHTA, JJ.

JUDGMENT RESERVED ON : 20th NOVEMBER, 2007.

JUDGMENT DELIVERED ON: 20th DECEMBER, 2007.

JUDGMENT:- (Per Anoop V. Mohta, J.)

. The present appeal filed by the appellants

(Original Petitioners) against the judgment and order dated 5th July, 2002 passed in Miscellaneous Petition No. 42 of 1995, whereby, an order dated 19 December, 1994 of the Assistant Registrar of Trade Marks, by which the respondents have been permitted to register the trade mark "MAGNUM" in class 34 in respect of Cigarettes, bidis, safety matches, cigars, smokers and other articles as contemplated, on the application filed by the respondents under the Trade and Merchandise Marks Act, 1958 (for short, "the 1958 Act"), has been maintained and the Miscellaneous Petition filed by the Appellants was dismissed.

2. The relevant dates and events are as under.:-

3. The appellants are manufactures inter-alia of Tobacco and or Tobacco products including cigarettes.

4. On 23/12/1987, respondent No.1 filed an application for registration of Trade Mark "MAGNUM" which was proposed to be used in respect of cigarettes, bidies etc. as contemplated in clause 34 of the schedule to the Trade Mark rules.

5. On 01/03/1992, the application of respondent No.1

was advertised in Trade Mark Journal No. 1026. On 14/05/1992, the appellants filed their Notice of Opposition opposing the registration of Trade Mark. On 11/08/1992, respondent No.1 filed their counter claim. On 08/02/1993, the appellant filed their evidence in support of opposition.

6. On 19/12/1994, respondent no.2 by his order and judgment dismissed Notice of Opposition of the Appellants and allowed the application of respondent No.1.

7. On 20/04/1995, the appellants filed Misc. Petition No. 42 of 1995 in this Hon'ble Court challenging the order of respondent No.2 dated 19/12/1994.

8. On 02/08/1995, order passed in interim Petition No. 44 of 1995 inter-alia recording the assurance of counsel for respondent No.1 that respondent No.1 would not collect the certificate of registration during the pendency of main petition. Interim petition No. 44 of 1995 disposed of.

9. On 05/07/2002, the impugned order passed

inter-alia dismissing Misc. Petition No. 42 of 1995 with no order as to cost. The counsel for respondent No.1 has given an assurance that respondent No.1 would not collect the certificate of Trade Mark for a period of 4 weeks.

10. On 16/08/2002, the appellants filed the present appeal.

11. The learned Senior Counsel Dr. Virendra Tulzapurkar submitted that the provisions of Trade Marks Act-1999 (T.M.Act-1999) are applicable and therefore, the appeal be decided accordingly, though the application was made under the 1958 Act. The commencement date of the T.M.Act-1999 is 15/09/2003. The present appeal has been pending since 16/08/2002.

12. Sub-Section (3) of Section 159 provides that the provisions of this Act shall apply to any application for registration of the trade mark pending at the commencement of the T.M. Act-1999 and to any proceedings consequent thereon and also to any registration granted in pursuance thereof.

13. Sub-Section 3 of Section 159 is reproduced as

under.

> . "The provisions of this Act shall apply to any application for registration of a trade mark pending at the commencement of this Act and to any proceedings consequent thereon and to any registration granted in pursuance thereof."

14. Another submission is about new and old Section 9 of the respective T.M.Acts.

15. Section 9 of the 1958 Act is reproduced as under:-

> 9. **Requisites for registration in Parts A and B of the register-**
>
> 1) A trade mark shall not be registered in Part A of the register unless it contains or consists of at least one of the following essential particulars, namely:-
>
> a) the name of a company, individual or firm represented in a special or

particular manner;

b) the signature of the applicant for registration or some predecessor in his business;

c) one or more invented words;

d) one or more words having no direct reference to the character or quality of the goods and not being, according to its ordinary signification, a geographical name or a surname or a personal name or any common abbreviation thereof or the name of a sect, caste or tribe in India;

e) any other distinctive mark;

2) A name, signature or word, other than such as fall within the descriptions in clauses (a), (b), (c) and (d) of sub-section (1) shall not be registrable in Part A of the register except upon evidence of its distinctiveness.

3) For the purpose of this Act, the expression "distinctive" in relation to the goods in respect of which a trade mark is proposed to be registered, means adapted to distinguish goods with which the proprietor of the trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists, either generally or, where the trade mark is proposed to be registered subject to limitations, in relation to use within the extent of the registration.

4) A trade mark shall not be registered in Part B of the register unless the trade mark in relation to the goods in respect of which it is proposed to be registered is distinctive, or is not distinctive but is capable of distinguishing goods with which the proprietor of a trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists, either generally or, where the trade mark is proposed to be registered subject to limitations, in relation to use within the extent of the registration.

5) In determining whether a trade mark is distinctive or is capable of distinguishing as aforesaid, the tribunal may have regard to the extent to which-

a) a trade mark is inherently distinctive or is inherently capable of distinguishing as aforesaid; and

b) by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact so adapted to distinguish or is in fact capable of distinguishing as aforesaid.

6) Subject to the other provisions of this section, a trade mark in respect of any goods-

a) registered in Part A of the register may be registered in Part B of the register; and

b) registered in Part B of the register may be registered in Part A of the

register;

. in the name of the same proprietor of the same trade mark or any part or parts thereof.

16. However, the provisions of Section 9 of the T.M. Act-1999 are different and those are reproduced as under:-

9. **Absolute grounds for refusal of registration-**

1) The trade marks-

a) which are devoid of any distinctive character, that is to say, not capable of distinguishing the goods or services of one person from those of another person;

b) which consist exclusively of marks or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographical origin or the time of production of the goods or rendering of the service or

other characteristics of the goods or service.

c) which consist exclusively of marks or indications which have become customary in the current language or in the bona fide and established practices of the trade.

. shall not be registered:

. Provided that a trade mark shall not be refused registration if before the date of application for registration it has acquired a distinctive character as a result of the use made of it or is a well-known trade mark.

2. A mark shall not be registered as a trade mark, if-

a) it is of such nature as to deceive the public or cause confusion;

b) it contains or comprises of any matter likely to hurt the religious susceptibilities of any class or section of the citizens of India;

c) it comprises or contains scandalous or obscene matter;

d) its use is prohibited under the Emblems and Names (Prevention of Improper Use) Act, 1950 (12 of 1950);

3) A mark shall not be registered as a trade mark, if it consists exclusively of-

a) the shape of goods which results from the nature of the goods themselves ; or

b) the shape of goods which is necessary to obtain a technical result; or

c) the shape which gives substantial value to the goods.

. Explanation.- For the purposes of this section, the nature of goods or services in relation to which the trade mark is used or proposed to be used shall not be a ground for refusal of registration.

17. The order passed by the Assistant Registrar of Trade Marks on 19/12/1994 permitting the respondents to register the trade mark "MAGNUM" in view of the newly added provisions of Section 9(1)(b) of T.M.Act-1999 is incorrect. The word "MAGNUM" as the Assistant Registrar of Trade Mark required to be considered in the light of Section 159(3) read with Section 9(1)(b) of the T.M. Act-1999.

18. This new Section 9 is a new comprehensive provision which corresponds to Section 3 of the English Trade Marks Act-1994. In view of new Section 9 of the T.M. Act-1999, there is a prohibition against registration of a mark which consists signs or indications which may serve in trade, to designate,

the kind quality, quantity and intended purpose, value, geographical origin, the time of production of goods and or other characteristics of goods and services. Section 9(1)(b) in a way contains an absolute bar for registration of any laudatory term.

19. The word involved in the present case is "MAGNUM". The Webster's and the Oxford Dictionaries explained the word "MAGNUM" as under:-

"WEBSTER'S" Dictionary

. **"MAGNUM"-** 1. a large bottle for wine or spirits, containing about 50 ounces. 2. a magnum cartridge or firearm. - adj. 3. (of a cartridge) equipped with a larger charge than other cartridges of the same size. (< L: large; great)

"OXFORD" Dictionary

. **"MAGNUM"-** 1. a wine bottle of about twice the standard size. 2. (a) a cartridge or shel that is especially powerful or large. (b) (often atriv.)

cartridge or gun adapted so as to be more powerful than its calibre suggests. [Latin, literally great (thing)]

20. As noted, based upon then existing provisions of Section 9 of the 1958 Act, the word has been registered in Part-B of the Register. Section 9 of the 1958 Act provided that the trade mark shall not be registered in Part-A of the Register if it contains of one or more having reference to the character or quality of the goods and therefore, in view of Sub-section 4 of Section 9 a trade mark which is capable of distinguishing the goods with which the proprietor of a trade mark is concerned or connected in the course of trade from the goods in which no such connection subsist could be registered in Part-B of the Register. Therefore, we have to consider whether the mark was inherently distinctive or was inherently capable of distinguishing the goods.

21. To support the above, the learned Senior counsel has strongly relied on the cases based upon the English Law containing similar provisions of the 1958 Act and the U.K. 1938 Act, that laudatory words like

"MAGNUM" could not have been registered. We have to apply law on the peculiar facts and circumstances of this case. Therefore, proceeded based upon the existing law of the Trade Marks.

22. To elaborate further, it is material to note that Section 3(1) (c) of the 1994 U.K. Act and Article 3 (1) (c) and Article 7 (1)(c) of the CTMR which are similar to provisions of Section 9(1)(b) of the T.M.Act-1999. Therefore, this is an international recognised principle of granting or refusing registration in such cases.

23. It is to be noted that the aforesaid Articles of the Directive and of CTM Regulation are derived from Article 6 Quinquies B. II of the Paris Convention. Those are reproduced hereinbelow.

A.

1) Every trademark duly registered in the country of origin shall be accepted for filing and protected as is in the other countries of the Union, subject to the reservations indicated in this Article.

Such countries may, before proceeding to final registration, requires the production of a certificate of registration in the country of origin issued by the competent authority. No authentication shall be required for this certificate.

2) Shall be considered the Country of origin the country of the United where the applicant has a real and effective industries or commercial establishment, or, if he has no such establishment within the Union, the country of the Union where he has his domicile, or, if he has no domicile within the Union but is a national of a country of the Union, the country of which he is a nation.

B. Trade marks covered by this Article may be neither denied registration nor invalidated except in the following cases:-

1. When they are of such a nature as to

infringe rights acquired by third parties in the country where protection is claimed;

2. When they are devoid of any distinctive character, or consist exclusively of signs or indication which may serve, in trade, to designate the kind, quality, quantity intended purpose, value, place of origin, of the goods, or the time of production, or have become customary in the current language or in the bona fide and established practices of the trade of the country where protection is claimed;

3. When they are contrary to morality or public order and, in particular, of such a nature as to deceive the public. It is understood that a mark may not be considered contrary to public order for the sole reason that it does not conform to a provision of the legislation on marks, except if such provision itself relates to public

order. This provision is subject, however, to the application of Article 10.

C.

1) In determining whether a mark is eligible for protection, all the factual circumstances must be taken into consideration, particularly the length of time the mark has been in use.

24. Admittedly, the present is not the case of "Well-known mark" and or "long use of the mark". Admittedly, it is a proposed mark/ sign.

25. Some of the decisions of the English Courts and European Court of Justice with regard to an ordinary laudatory work or meaning or descriptive term or lack of distinctiveness or descriptive word with reference to grant or refusal of registration have been cited. As each case needs to be decided on its own merit after considering the language, the current meaning as well as dictionary definition or explanation, the

nature of business and goods, the trader and its intention and lastly the purchasers who are the common people. There is no dispute in so far as the provisions of trademark laws.

26. The learned Senior counsel, therefore, rightly submitted that following principles can be deduced:-

i) In order to ensure public interest that a mark which can indicate the character or quality of the goods cannot be registered unless it is a well-known mark or it has acquired distinctiveness by use.

ii) It is not necessary to establish by the Opponent that such descriptive use is infact is being made by other traders. It is sufficient if the mark has one of the meanings which indicates characteristic of the goods.

27. The learned Judge, though in para 9 of the Judgment has accepted that an educated person with

proficient in English language would know that the word "MAGNUM" connotes something large and or great, but finally held that the word "MAGNUM" is not part of common language in India. One cannot overlook the facts and circumstances of the present case that the product class in question are cigarettes, bidis, safety matches, cigars, smokers articles, etc. The purchasers of these products are common men of all ages which include the persons of having knowledge of English language. The Supreme Court in **Cadila Health Care Limited Vs. Cadila Pharmaceuticals Limited (2001) 5 S.C.C. 73** has been held that, " what has to be kept in mind is the purchaser of such goods". The word "MAGNUM" is a laudatory term. This word can serve an indication of characteristic of the goods. Section 9(1)(b) which contains an absolute bar for registration of any descriptive and laudatory term. The word "MAGNUM" in view of above, can serve as an indication of character or quality or value of the goods since one of its laudatory and descriptive meaning is "great". Such words/ marks in the present facts and circumstances even otherwise could not have been registered even based upon the 1958 Act. We are of the view that the word "MAGNUM" is of common usage and purely descriptive. Apart from the substituted

provisions of the Section 9 of the T.M. Act-1999.

28. In the result, the impugned judgment dated 5th July, 2002 passed by the learned Single Judge and the order dated 19/12/1994 passed by the Assistant Registrar of Trade Marks, are therefore, set aside.

29. The appeal is allowed with no order as to costs.

(ANOOP V. MOHTA,J.) **(DR. S. RADHAKRISHNAN, J.)**